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FOR IMMEDIATE RELEASE:
April 18, 2002

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FEDERAL COMMUNICATIONS COMMISSION BEGINS PROCEEDING TO IMPROVE RURAL HEALTH CARE SUPPORT PROGRAM

Washington, D.C. – Today, the Federal Communications Commission (FCC) adopted a Notice of Proposed Rulemaking (Notice) seeking comment on how to improve the rural health care universal service mechanism, which helps rural health care providers obtain access to modern telecommunications and information services for medical and health maintenance purposes. The five-year old program provides discounted telecommunications services to rural health care providers at rates equal to the rates charged for similar services in urban areas.

The rural health care support program, with an annual cap for discounts at \$400 million, has provided discounts to rural health care providers in 40 states and the U.S. Virgin Islands. For example, with such support, rural health care providers may send X-rays and other information to doctors in other areas in real time.

Today's action to review the rural health care support program is part of continuing efforts to streamline and improve the operation of the Commission's universal service rules in light of technological and marketplace changes. Moreover, in the aftermath of recent national events, national security and public health officials have emphasized the importance of a more fully integrated network of health care providers across our nation. With today's action, the Commission is seeking to explore ways to increase the number of health care providers that could benefit from the program's discounts, without modifying the existing funding cap.

With the Notice adopted today, the Commission seeks to improve the overall operation of the program and seeks comment on several general issues, including:

- **Eligible Health Care Providers** – The Commission seeks comment on how it should treat entities that not only serve as rural health care providers, but also function in other capacities.
- **Eligible Services** – The Commission seeks comment on whether to provide discounts on Internet access charges.

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- **Calculation of Discounted Services** – The Commission seeks comment on whether it should change the calculation of discounted services. Currently, discounts are calculated in various ways, including distance-based charges and differences in rates between rural areas and the nearest urban area in that State.

The rural health care support program was first implemented in 1997 in response to the direction of Congress in section 254 of the Telecommunication Act of 1996.

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Docket No.: CC 02-60

Action by the Commission April 18, 2002, by Notice of Proposed Rulemaking (FCC 02-122). Chairman Powell and Commissioners, Abernathy, Copps, and Martin.

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